

Shelby.Michael

From: John Cervený
Sent: Monday, July 8, 2002 1:16 PM
To: shelby@niehs.nih.gov
Cc: Nancy Dunlop (E-mail); gdolan@methanol.org; jlynn@methanol.org
Subject: Comments on NTP-CERHR Expert Panel Report on Reproductive and Developmental Toxicity of Methanol

Dr. Michael Shelby
NTP-CERHR Expert Panel
National Institute of Health

Dear Dr. Shelby,

I am writing in support of comments prepared by Dr. John Clary, toxicologist for the Methanol Institute in response to the Final Draft of the NTP-CERHR Expert Panel Report on Reproductive and Developmental Toxicity of Methanol (the Report).

MTI MicroFuel Cells Inc. (MTI MFC) is dedicated to the rapid development and commercialization of direct methanol micro fuel cells (DMFCs). MTI MFC is committed to bringing DMFCs to mass market commercialization as replacements for batteries in portable handheld devices such as cellular phones, handheld computers and laptops. Since our founding in March 2001, we have made the following progress toward optimizing this innovative source of portable power:

- * We assembled a top team of business development professionals and scientists including Dr. Shimshon Gottesfeld, a world leader in fuel cell research and a former technical leader of the Fuel Cell Research Program at the Los Alamos National Laboratory.

- * We partnered with DuPont to optimize their membrane for use in our systems. The three-part agreement includes a joint development agreement, a long-term supply agreement and the purchase of a minority interest in MTI MFC by DuPont.

- * We started work on a program totaling over \$9.3 million from the Advanced Technology Program (ATP) of the National Institute of Standards and Technology (NIST) to develop an advanced hybrid micro fuel cell system.

- * We entered a teaming agreement with Alliant Techsystems to explore development of a DMFC-based power supply for the Objective Individual Combat Weapon (OICW).

- * We developed our IP portfolio, licensing critical baseline technology from Los Alamos National Laboratory and filing over 25 patents for our own advancements.

- * We demonstrated two early prototypes of fuel cells powering cell phone/PDAs, and further, stated our intent to bring our

first DMFC-based product to commercial markets in 2004.

As our activities show, we have made a company-wide commitment to DMFCs as power sources for portable electronic devices. It is our belief that methanol is the most promising fuel, given its very high energy density, and, when used in a fuel cell, environmentally benign by-products.

In terms of market penetration and consumer acceptance, cellular phones promise to reach a global market of 1.1 billion users by 2004. Depending on the level of our company's success, methanol may well become the fuel of choice for these phones. As we envision our future product to be in widespread consumer use, we, too, are concerned with the environmental, health and safety implications of methanol. We are therefore appreciative of all testing currently being done on methanol and distributed to the industry and to the public at large. It is in the interest not just of our company's business plan, but also the global communications market, that the most accurate information on methanol be disseminated.

We are impressed by the close analysis of the Report undertaken by the Methanol Institute, and we share their concerns that some of the conclusions reached in the Report do not adequately present conclusive findings about the safety of methanol. We encourage you to carefully review the comments of the Methanol Institute, and where possible, to address these concerns prior to final issuance of the Report .

Thank you for this opportunity to provide comments on this significant report on methanol. Please feel free to contact me should you have any questions or comments.

Sincerely,

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